


JULY 25, 2008

THE DIRECTOR OF THE SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION TOOK FORMAL ACTION ON JULY 25, 2008, IN THE TRUST LANDS ADMINISTRATION OFFICE, 675 EAST 500 SOUTH, SUITE 500, SALT LAKE CITY, UTAH 84102-2818, ON THE MINERAL, SURFACE, DEVELOPMENT, AND FEE WAIVER BUSINESS MATTERS AS INDICATED AND WHICH BECOME EFFECTIVE AT 5:00 P.M. ON JULY 25, 2008.

THESE MINUTES INCLUDE MINERAL ACTIONS AS LISTED ON PAGES 1 TO 6; SURFACE ACTIONS AS LISTED ON PAGES 6 TO 19; DEVELOPMENT ACTIONS AS LISTED ON PAGES 20 TO 23; AND ACTIONS CONTAINING FEE WAIVERS AS LISTED ON PAGE 23.

THESE MINUTES ARE DEEMED THE FINAL AGENCY ACTION CONCERNING THESE MATTERS AND ARE SUBJECT TO REVIEW AND/OR ADJUDICATION PURSUANT TO R850-8 OF THE AGENCY'S RULES. ANY APPEAL OF MATTERS CONTAINED WITHIN THESE MINUTES MUST BE IN WRITING, PURSUANT TO R850-8-1000, AND MUST BE RECEIVED BY THE OFFICE OF THE DIRECTOR BY 6:00 P.M. ON MONDAY, AUGUST 11, 2008. APPEALS NOT FILED BY THAT TIME WILL BE CONSIDERED UNACCEPTABLE AND THE MATTERS WILL BE UNAPPEALABLE.



KEVIN S. CARTER, DIRECTOR
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION

LESLIE M. WARNER, RECORDS OFFICER

ARCHIVES APPROVAL NO. 7990209

MINERAL ACTIONS

MATERIALS PERMIT OVER-THE-COUNTER NO. 397 (EXPIRATION)

The above-referenced material permit to mine common sand and gravel on trust lands was issued to MESA Rock LLC, 710 South 15th Street, Grand Junction, CO 81501.

AFFECTED LANDS:

Township 21 South, Range 6 East, SL&M.
Section 32: SW¹/₄NW¹/₄SW¹/₄

COUNTY: Grand

ACRES: 10.0±

FUND: SCH

The above-referenced permit expired on June 30, 2008, and should be shown as expired on all Trust Lands Administration records.

This item was submitted by Mr. Tom Faddies for record-keeping purposes only.

AMENDMENT AND RESTATEMENT OF GEOTHERMAL RESOURCES LEASE NO. ML 50773 (SCH)

Geothermal Resource Lease ML 50773 is being amended and restated, by mutual agreement, to provide for the calculation of production royalties on the basis of gross electricity sales from a geothermal generating plant to be located on the subject lease, in lieu of current lease language concerning royalty calculation. The lease restatement also provides that the initial readjustment of the lease terms will occur on the twentieth anniversary of the lease rather than in year ten, and provides for a number of other clarifications to the lease language. Lands encompassed by this lease, along with other trust lands, will be committed to a producing unit that will be financed commercially for a term in excess of ten years. The producing unit is currently being developed by Raser Technologies, Inc., the sister company to Intermountain Renewable Power, LLC. TLA Staff concurred that an unlimited right to readjust during the term of financing could eliminate or interfere with Intermountain Renewable Power's (Raser's) ability to obtain financing, and thus cause the loss of production royalties.

ML 50773 was issued through the over-the-counter lease process to Intermountain Renewable Power, LLC, as lessee, effective April 1, 2007.

Terms

Royalty on power sales: 2.25% of gross proceeds, as defined in 30 C.F.R. § 206.351 (2007), of the sale of electric power for the first five years of the lease term [April 1, 2007 – March 31, 2012], and three and one-half percent (3½%) thereafter.

Readjustment: First readjustment will be April 1, 2027, and then every ten years thereafter.

Other Provisions: Refer to amended and restated lease ML 50773.

Upon recommendation of Mr. Will Stokes and Mr. John Andrews, the Director approved the amendment and restatement of Geothermal Resources Lease ML 50773 as listed above.

EXPIRATION OF METALLIFEROUS MINERALS LEASE

The following Metalliferous Minerals Lease reached the end of the ten (10) year primary term without achieving production and without satisfaction of the diligent development requirement as provided for under part four of Article VI of the lease agreement. Therefore, the lease has expired on its own terms at the end of the ten (10) year primary term on June 30, 2008. The land included under the referenced lease will be offered for lease through the sealed bid, competitive lease offering.

ML 48041

James L. Gleave &
Lee R. Jensen
60 South 300 East
Richfield, UT 84701

T26S, R4.5W, SLB&M.

SEC. 36: N½NE¼

Sevier
80.00 Acres

FUND: SCH

This item is submitted by Mr. Stokes for record-keeping purposes only.

TOTAL ASSIGNMENT – POTASH LEASES

Upon recommendation of Mr. Stokes, the Director approved the assignment of the leases listed below to Robert Ray Norman, Sr., Revocable Trust, dated July 1, 2002, 1500 Old Mail Trail Road, P.O. Box 1300, Moab, UT 84532, by Minerals Associates. No override. (***REFUND: \$100 – overpayment of filing fees to Robert Ray Norman, Sr., Revocable Trust***).

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:***MINERALS ASSOCIATES - 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***ROBERT RAY NORAMN, SR., REVOCABLE
TRUST, DATED JULY 1, 2002 - 100%***

....ML 49560 (SCH)....ML 49561 (SCH)....ML 49562 (SCH)....ML 49563 (SCH)....ML 51274 (SCH)....

TOTAL ASSIGNMENT – METALLIFEROUS MINERALS LEASES

Upon recommendation of Mr. Stokes, the Director approved the assignment of the leases listed below to Robert Ray Norman, Sr., Revocable Trust, dated July 1, 2002, 1500 Old Mail Trail Road, P.O. Box 1300, Moab, UT 84532, by Minerals Associates. No override.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:***MINERALS ASSOCIATES - 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***ROBERT RAY NORMAN, SR., REVOCABLE
TRUST, DATED JULY 1, 2002 - 100%***

....ML 50179 (SCH)....ML 50160 (SCH)....ML 50181 (SCH)....ML 50306 (SCH)....

TOTAL ASSIGNMENT – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of the leases listed below to Fidelity Exploration & Production Company, 1700 Lincoln Street, Suite 2800, Denver, CO 80203, by Rampart Energy Fund LLC. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

RAMPART ENERGY FUND LLC - 100%

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***FIDELITY EXPLORATION & PRODUCTION
COMPANY - 100%***

....ML 40761 (SCH)....ML 44333 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Ms. Garrison, the Director approved the assignment of 65% interest in and to the leases listed below to Fidelity Exploration & Production Company, 1700 Lincoln Street, Suite 2800, Denver, CO 80203, by Retamco Operating, Inc. No override, but subject to 6.85% overriding royalty previously reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***RETAMCO OPERATING, INC. - 65%,
DEJOUR ENERGY (USA) CORP. - 25%,
BROWNSTONE VENTURES (US) INC. - 10%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***FIDELITY EXPLORATION & PRODUCTION
COMPANY - 65%,
BROWNSTONE VENTURES (US) INC. - 10%,
DEJOUR ENERGY (USA) CORP. - 25%***

....ML 49256 (SCH)....ML 49257 (SCH)....ML 49258 (SCH)....ML 49259 (SCH)....ML 49660 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 15% interest in and to the lease listed below to ***Evergreen HBP, LP*** (5%) 4605 Post Oak Place, Suite 100, Houston, TX 77027; ***Focus Energy LLC*** (5%), 730 17th Street, Suite 6710, Denver, CO 80202; ***Gary L. Kornegay*** (2.25%), P.O. Box 841286 Houston, TX 77084; ***Paul G. Hendershott*** (1.75%), 2724 Ferndale Street, Houston, TX 77098, and ***HAO Li, Guardian for Sabrina Kelley Gallaspay, a minor child*** (1%), 21415 Grand Hollow Lane, Katy, TX 77450, by Enerplus Resources (USA) Corporation. No override, but subject to previous overrides as reserved. Effective June 1, 2004, the Trust Lands Administration assumes no responsibility in reviewing, collecting, or distributing overriding royalty.

OWNERSHIP BEFORE ASSIGNMENT:

RECORD TITLE:

***ENERPLUS RESOURCES (USA)
CORPORATION - 100%***

OWNERSHIP AFTER ASSIGNMENT:

RECORD TITLE:

***ENERPLUS RESOURCES (USA)
CORPORATION - 85%,
EVERGREEN HBP, LP - 5%,
FOCUS ENERGY LLC - 5%,
GARY L. KORNEGAY - 2.25%,
PAUL G. HENDERSHOTT - 1.75%,
HAO LI, GUARDIAN FOR SABRINA KELLEY
GALLASPAY, A MINOR CHILD - 1%***

....ML 50290 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 50% interest in and to the leases listed below to Chief Exploration & Development LLC, 5956 Sherry Lane, Suite 1500, Dallas, TX 75225, by Pioneer Oil and Gas. No override.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

PIONEER OIL AND GAS - 75%
INTERNATIONAL PETROLEUM LLC - 25%

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

**CHIEF EXPLORATION & DEVELOPMENT
LLC - 50%,
PIONEER OIL AND GAS - 25%,
INTERNATIONAL PETROLEUM LLC - 25%**

....ML 50989 (SCH)....ML 50991 (SCH)....ML 51116 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 19.32% interest in and to the leases listed below to Chicago Energy Associates, LLC, 475 17th Street, Suite 1200, Denver, CO 80202, by Whiting Oil and Gas Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

WHITING OIL AND GAS CORPORATION - 100%

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION - 80.68%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%**

....ML 50978 (SCH)....ML 50979 (SCH)....ML 51128 (SCH)....ML 51129 (SCH)...ML 51132 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 14.7% interest in and to the leases listed below to Halliburton Energy Services, Inc., 2107 Citywest Blvd., Bldg. 2, Houston, TX 77242, by Whiting Oil and Gas Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION - 80.68%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%**

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION - 65.98%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%,
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,**

....ML 50978 (SCH)....ML 50979 (SCH)....ML 51128 (SCH)....ML 51129 (SCH)...ML 51132 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 7.58% interest in and to the leases listed below to Ramshorn Investments, Inc., 515 W. Greens Road, Suite 1000, Houston, TX 77067, by Whiting Oil and Gas Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION - 65.98%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%,
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,**

OWNERSHIP AFTER ASSIGNMENT:**RECORD TITLE:**

**WHITING OIL AND GAS CORPORATION - 58.40%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%,
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,
RAMSHORN INVESTMENTS, INC. - 7.58%**

....ML 50978 (SCH)....ML 50979 (SCH)....ML 51128 (SCH)....ML 51129 (SCH)...ML 51132 (SCH)....

INTEREST ASSIGNMENTS – OIL, GAS, AND HYDROCARBON LEASES (CONTINUED)

Upon recommendation of Ms. Garrison, the Director approved the assignment of 2.5% interest in and to the leases listed below to Pamco Investments Corp., 7114 W. Jefferson Ave., Suite 305, Denver, CO 80235, by Whiting Oil and Gas Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

***WHITING OIL AND GAS CORPORATION - 58.40%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,
RAMSHORN INVESTMENTS, INC. - 7.58%***

OWNERSHIP AFTER ASSIGNMENT:***RECORD TITLE:***

***WHITING OIL AND GAS CORPORATION - 55.90%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%,
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,
RAMSHORN INVESTMENTS, INC. - 7.58%,
PAMCO INVESTMENTS CORP. - 2.5%***

....ML 50978 (SCH)....ML 50979 (SCH)....ML 51128 (SCH)....ML 51129 (SCH)...ML 51132 (SCH)....

Upon recommendation of Ms. Garrison, the Director approved the assignment of 2.5% interest in and to the leases listed below to Evertson Energy Partners, LLC, P.O. Box 397, Kimball, NE 69145, by Whiting Oil and Gas Corporation. No override.

OWNERSHIP BEFORE ASSIGNMENT:***RECORD TITLE:***

***WHITING OIL AND GAS CORPORATION - 55.90%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,
RAMSHORN INVESTMENTS, INC. - 7.58%
PAMCO INVESTMENTS CORP. - 2.5%***

OWNERSHIP AFTER ASSIGNMENT:***RECORD TITLE:***

***WHITING OIL AND GAS CORPORATION - 53.40%,
CHICAGO ENERGY ASSOCIATES, LLC - 19.32%,
HALLIBURTON ENERGY SERVICES, INC. - 14.7%,
RAMSHORN INVESTMENTS, INC. - 7.58%
PAMCO INVESTMENTS CORP. - 2.5%,
EVERTSON ENERGY PARTNERS, LLC - 2.5%***

....ML 50978 (SCH)....ML 50979 (SCH)....ML 51128 (SCH)....ML 51129 (SCH)...ML 51132 (SCH)....

CORRECTION OF DIRECTOR'S MINUTES OF MAY 30, 2008 - ML 47968 (SCH: 1940.92; USH: 160.00; NS: 320.00) - OIL, GAS, AND HYDROCARBON LEASE

The Director, on May 30, 2008, approved an amendment covering the above-numbered lease. It has been discovered that in addition to the description contained in the original amendment approval, lands in Section 5 were inadvertently left off of both the before and after amendment description. ***SW¼, S½SE¼ Sec. 5, T34S, R26E, SLB&M.***, should also be included in both places. The acreages listed were correct.

Upon recommendation of Ms. Garrison, the Director approved the above-listed correction.

EXTENSION OF TIME TO FILE PAYING WELL DETERMINATION AND ESTABLISHMENT OF PARTICIPATING AREA

Wind River II Corporation, operator of the Rock Springs Unit, has requested a thirty-one (31) day extension from August 1, 2008, to September 1, 2008, to allow them additional time to complete their hook up and file the necessary paperwork with SITLA to establish a paying well and subsequent request for participating area. Both the request for paying well determination and the participating area documents must be filed with this office on or before September 1, 2008, or they must provide evidence to the authorized officer why the unit should not terminate due to lack of continuous drilling.

Upon recommendation of Ms. Garrison, the Director approved the above-listed request of extension.

AMENDMENT AND CORRECTION OF OIL, GAS, AND HYDROCARBON LEASES

The following lease is being amended to correct lease Form B-2(3/05) so that it conforms to our rules and regulations and to the Trust Lands Administration Statute. These corrections change the minimum rentals from \$3.00 per acre to twice the annual rental, plus some minor definition changes.

...ML 49973 (SCH)....

RETAMCO OPERATING, INC.
3301 STONEWALL LANE
BILLINGS, MT 59102; AND
BROWNSTONE VENTURES (US) INC.
130 KING STREET, SUITE 2810
CALGARY, ALBERTA, CANADA M5X 1A9

Upon recommendation of Ms. Garrison, the Director approved the above amendment and correction.

S U R F A C E A C T I O N S

GRAZING PERMITS

GRAZING PERMIT NO. 20222 (ASSIGNMENT)

Phillip and Susan Stubblefield, P.O. Box 599, Moab, UT 84532, have requested the Trust Lands Administration's permission to assign 100% interest in the above referenced grazing permit to Patrick Scherer, 1575 Old Mail Trail, Moab, UT, 84532. The assignment fee in the amount of \$44.75 has been submitted. Emery County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved the assignment of GP 20222.

RANGE IMPROVEMENT PROJECTS**RANGE IMPROVEMENT PROJECT NO. 280 (WITHIN GP 22546)****APPLICANT'S NAME AND ADDRESS:**

Lanny Young
P.O. Box 23,
Duchesne, UT 84021

LEGAL DESCRIPTION OF LANDS DIRECTLY AFFECTED:**T1S, R8W, USM**

Section 16: N $\frac{1}{2}$, SE $\frac{1}{4}$

Section 17: SE $\frac{1}{4}$

Section 19: NW $\frac{1}{4}$

Section 20: NW $\frac{1}{4}$

Section 17: N $\frac{1}{2}$

T1S, R9W, USM

Section 24: NE $\frac{1}{4}$

Section 13: SE $\frac{1}{4}$ SE $\frac{1}{4}$

COUNTY: Duchesne

FUND: USU, Reservoirs, Normal School, School

REQUESTED/PROPOSED ACTION:

The applicant has requested permission to put into place a new watering system which will include 4.5 miles of additional buried pipe, two ponds, and 7 new water troughs. Part of the new watering system will replace one mile of pipe on Dutchman Flat which has been in poor repair. The water source is the Max Wall Spring (Volcano Spring). This is the final stage and portion of the Dutchman/Tabby Swale pasture improvements. Refer to RIP 280-A and RIP 280-B.

RELEVANT FACTUAL BACKGROUND:

On February 7, 2007, the applicant submitted a proposal for this range improvement project.

A search of the Administration's records was made to determine the status of the area involved. The grazing permit of record on the affected area is GP 22546, the applicant. Right of Way No. 1062 is a road which will be crossed but will be repaired to its original state. There are no other leases on the affected property.

Cultural clearance was completed by TLA cultural staff.

The following is a flat rate amortization schedule (NRCS Schedule) for this project if the Trust Lands Administration cancels the grazing permit before the project is fully amortized. If the permittee sells or allows the permit to expire or to be canceled due to his own failure, then the amortization schedule will be canceled. Much of the cost of this project is being covered under a GIP grant and cost shared with the USDA NRCS. Only the applicant's portion will be amortized.

Project	Project Cost	Project Life	Year Completed	Yearly Amortized Deduction	Year Fully Amortized
Troughs	\$1,000	10 years	2008	\$100.00/year	2018
Pipe and Ponds	\$5,000	20 years	2008	\$250.00/year	2028

RANGE IMPROVEMENT PROJECT NO. 280 (WITHIN GP 22546) (CONTINUED)

EVALUATION OF THE FACTS:

The proposed range improvement is not located on land affected by (a) or (b) of R850-50-1100(5). The proposed project enhances the value of the range for domestic livestock.

This summary will constitute the Record of Decision.

Based on the above information and upon recommendation of Mr. Scott Chamberlain, the Director approved Range Improvement Project No. 280.

RIGHTS OF ENTRY

RIGHT OF ENTRY NO. 5212

On July 16, 2008, Ms. Jeanine Kleinke, Trust Land Technician, pursuant to R850-41-200, and in accordance with direction and delegation of authority, approved the request of Grassroots, LLC, P.O. Box 1425, Moab, UT 84532, to occupy the following described trust lands located within Grand County to conduct the annual Alpine to Slickrock 50 K Race:

T25S, R19E, SLB&M
Sec. 36: Within

T25S, R20E, SLB&M
Sec. 32: Within

T26S, R19E, SLB&M
Sec. 2: Within

T26S, R20E, SLB&M
Sec. 16: Within

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts based on number of clients, number of client days, and percentage of time spent on trust land, or \$4.00/participant, whichever is greater, within 30 days of the permit expiration date. Grand County. School Fund. Expiration date: September 21, 2008.

This item was submitted by Ms. Jeanine Kleinke for record-keeping purposes.

RIGHT OF ENTRY NO. 5217 (APPROVAL)

On July 21, 2008, the School and Institutional Trust Lands Administration received an application from Dreamride, LLC, P.O. Box 1137, Moab, UT 84532, to occupy all trust land located within the State of Utah, except for those lands subject to existing leases or permits that grant access control, and those lands that have been withdrawn or may be withdrawn by order of the Director, to conduct commercial bicycle tours for a one-year term.

The fee for this right of entry is \$200.00 plus a \$50.00 application fee and a \$50.00 processing fee, totaling \$300.00. The permittee shall also pay to the Trust Lands Administration the sum of 3% of gross receipts based on number of clients, number of client days, and percentage of time spent on trust land, within 30 days of permit expiration date. Beginning date: April 1, 2008. Expiration date: March 31, 2009. Funding: School = 96.66%, USU = 0.83%, Deaf = 0.16%, Blind = 0.01%, MH = 0.18%, NS = 0.16%, PB = < 0.01%, SYDC = < 0.01%, RES = 1.26%, SM = 0.21%, UNIV = 0.51%.

RIGHT OF ENTRY NO. 5192 (CORRECTION OF MINUTES DATED JUNE 27, 2008)

Right of Entry No. 5192 was reported on the Director's Minutes of June 27, 2008. The minute entry incorrectly listed the legal description as:

Township 41 South, Range 12 West, SLB&M
Sec 36: Within

The correct legal description is:

Township 42 South, Range 12 West, SLB&M
Sec 2: Within

Also, the permittee's name was incorrectly listed as:

H5 Events, Inc.
Todd Barber
P.O. Box 611
Carnelian Bay, CA 96140

The correct name and address is as follows:

Red Bull North America, Inc.
1740 Stewart Street
Santa Monica, CA 90404

School Fund. Washington County.

Upon recommendation of Ms. Paula Lane, the Director approved the above correction.

EASEMENTS**EASEMENT NO. 1389 (APPROVAL)****APPLICANT'S NAME AND ADDRESS:**

PacifiCorp DBA Rocky Mountain Power
Right of Way Services
1407 West North Temple, Suite 110
Salt Lake City, Utah 84116

LEGAL DESCRIPTION:

Township 24 South, Range 20 East, SLB&M
Section 35: S½SW¼, SW¼SE¼ (within)

An easement 10 feet in width, being 5 feet on each side of the following described survey line:

Beginning on the southwesterly boundary line of the Grantor's land at a point S 28°20'36" E 2365.75 feet, more or less, from the west one quarter corner of Section 35, Township 24 South, Range 20 East, SLB&M, said point being at Survey Station No. 10+78.9 of the Keogh Land Survey being a point on the northeasterly right of way line of U.S. Highway 191, thence S 82°11' E 60.7 feet, more or less, thence N 72°03' E 521.7 feet, more or less, thence N 79°11' E 415.6 feet, more or less, thence N 82°42' E 298.1 feet, more or less, thence along the centerline of a tap line which begins at Survey Station No. 24+11.0, being 20 feet in width, 10 feet on each side of the following described survey line S 16°23' E 30.0 feet, more or less, along said tap line to a new ground sleeve on the Grantor's land, thence N 16°23' W 30.0 feet, more or less, back to Survey Station No. 24+11.0, thence along an easement 10 feet in width, being 5 feet on each side of the continuing described survey line N 69°21' E 89.6 feet, more or less, thence S 78°12' E 118.6 feet, more or less, thence N 71°47' E 279.6 feet, more or less, thence N 76°28' E 210.5 feet, thence S 75°42' E 192.6 feet, more or less, to the customer's point of use at Survey Station No. 33+01.9 and being in the S½ of the SW¼ and the SW¼ of the SE¼ of said Section. Containing 0.51 of an acre, more or less.

COUNTY: Grand

ACRES: 0.51

FUND: School

PROPOSED ACTION:

The applicant requests an easement to construct, operate, repair, and maintain a buried power line. The proposed power line will service a metering station that is being installed at the junction of an existing natural gas transmission line operated by Northwest Pipeline and a new natural gas gathering pipeline system operated by Delta Petroleum Company. The power line will be buried and will run along an existing access road. The proposed easement corridor is 2,187 feet long and 10 feet wide, containing 0.51 acres. The term of the easement will be 30 years.

RELEVANT FACTUAL BACKGROUND:

The Resource Development Coordinating Committee ("RDCC") review was initiated on May 20, 2008. Comments were received from the Utah Geological Survey and the Southeastern Utah Association of Governments as follows:

Utah Geological Survey:

"There are known significant vertebrate fossil localities recorded in our files in or near this project area, and the Jurassic Morrison Formation exposed here has the potential for yielding additional significant vertebrate fossil localities. The Office of the State Paleontologist, therefore, recommends a paleontological survey be conducted for this project and its easements by a paleontologist with a valid permit."

EASEMENT NO. 1389 (APPROVAL) (CONTINUED)**Southeastern Utah Association of Governments:**

"Favorable comment recommended."

The applicant has been notified of the comments provided by the RDCC. Pursuant to the comments submitted by the Utah Geological Survey, a paleontological survey of the project area was conducted by Erathem-Vanir Geological. No fossils were observed within the project area and no paleontological restrictions were recommended for the development of the project. If fossil materials are discovered during construction, a qualified paleontologist should be contacted to evaluate the discovery.

The project area has been surveyed for cultural resources by Montgomery Archaeological Consultants (U-06-MQ-1843b,p,s) with a finding of "No Historic Properties Affected." The Trust Lands Administration's staff archaeologist and the State Historic Preservation Office ("SHPO") have reviewed this survey and concur with this finding.

EVALUATION OF FACTS:

1. The proposed easement is located entirely on trust lands.
2. The proposed easement term is for a period of 30 years.
3. The applicant has paid the School and Institutional Trust Lands Administration the fees as determined pursuant to R850-40-600.
4. The proposed easement will not have an unreasonably adverse affect on the developability or marketability of the subject property.

The action qualifies as an exclusion to the narrative record of decision process because it does not warrant the time and expense necessary to complete a full narrative record. Therefore, this summary will constitute the record of decision.

Upon recommendation of Mr. Chris Fausett, the Director approved Easement No. 1389 for a term of 30 years beginning July 1, 2008, and expiring June 30, 2038, with the easement fee being \$1,612.36 plus the \$750.00 application fee. The administrative fee required pursuant to R850-40-1800 has been paid up front with a one-time payment of \$1,000.00.

EASEMENT NO. 1344 (RESCISSION OF MINUTES DATED JUNE 27, 2008, AND RATIFICATION OF MINUTES DATED JUNE 20, 2008)

On the Director's Minutes of June 20, 2008, the Director approved Easement No. 1344, issued to Direct Communications Cedar Valley, LLC, 1680 East Heritage Drive, Eagle Mountain, Utah, 84005. The easement was issued for a buried fiber optics communications line for a term of 30 years.

It was stated in the Minutes of June 20, 2008, that the administrative fee required pursuant to R850-40-1800 had been paid in a one-time payment of \$1,000.00. In the Director's Minutes of June 27, 2008, a correction was submitted to state that, pursuant to R850-40-1800, an administrative fee would be charged every three years throughout the term of the easement, with the first payment being due on January 1, 2011.

Upon further research and clarification by the Grantee, it has been determined that the administrative fee required pursuant to R850-40-1800 has, in fact, been paid in a one-time payment of \$1,000.00. Therefore, the Director's Minutes of June 20, 2008, were correct as approved by the Director and the correction listed in the June 27, 2008, Minutes should be rescinded. Utah and Tooele Counties. School and School of Mines Funds.

Upon recommendation of Mr. Chris Fausett, the Director ratified the minute entry dated June 20, 2008, and rescinded the minute entry dated June 27, 2008.

EASEMENT NO. 1370 (CORRECTION OF MINUTES DATED JULY 7, 2008)

On the Director's Minutes of July 7, 2008, the Director approved Easement No. 1370 for a 24.9 kV overhead power line. The easement was approved for a term of 30 years.

The name and address of the applicant was incorrectly listed in the minutes as:

**PacifiCorp DBA Rocky Mountain Power
Right of Way Services
1407 West North Temple, Suite 110
Salt Lake City, Utah, 84116**

The minutes should be corrected to state the name and address of the applicant as:

**Thermo No. 1, BE-01 LLC
5152 North Edgewood Drive, Suite 375
Provo, Utah, 84604**

Beaver County. School Fund.

Upon recommendation of Mr. Chris Fausett, the Director approved the above correction.

SPECIAL USE LEASE AGREEMENTS

SPECIAL USE LEASE AGREEMENT NOS. 1462 AND 1463 (COMBINING OF LEASES AND TRANSFER AND REFUND OF FEES)

On May 23, 2008, approval was given to XTO Energy Inc., 810 Houston Street, Fort Worth, TX 76102, for Special Use Lease Nos. 1462 and 1463. The leases were issued for the purpose of constructing, operating, and maintaining a well pad site. Special Use Lease No. 1463 should be canceled and combined with SULA 1462, and all money submitted for SULA 1463 should be transferred to SULA 1462. Both directional drill wells are originating from the same existing well pad, therefore only one lease is necessary.

A refund in the amount of \$950.00 is due the applicant for the application fee and processing fee for Special Use Lease No. 1463. The remaining fees, in the amount of \$7,500.00 base rental and \$89.40 advertising fee, totaling \$7,589.40, will be transferred to SULA 1462. Emery County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved combining the two leases, with the surviving lease being SULA 1462, and ordered the **transfer of \$7,589.40 from SULA 1463 to SULA 1462, and a refund of \$950.00 to the lessee.**

SPECIAL USE LEASE AGREEMENT NO. 173 (TWENTY-YEAR REVIEW)

Special Use Lease Agreement No. 173 is an industrial lease in the name of Morton International, Salt Division, P.O. Box 506, Grantsville, Utah 84029. Tooele County. School Fund.

1. **ANNUAL BASE RENTAL:**

The twenty-year review date for this lease is July 1, 2008. The subject property is located in Tooele County and is used by the lessee as a buffer zone. The stated purpose of the lease is for an exclusive right to the use of the surface of the subject property for evaporation ponds, ditches, canals, power lines, telephone lines, pump stations, roads, dikes, storage of mineral salts and brines, and for any and all other uses and facilities necessary and convenient for the gathering and production of sodium chloride and associated mineral salts from the subject property or other lands, and for the construction and operation with such mining operations. Based upon a recent appraisal, it is recommended that the annual lease rental be increased from \$4,814.45 to \$15,500.00 per year, effective July 1, 2008. As the annual lease rental is due on January 1 of each year, the annual lease rental will be prorated from July 1, 2008, through December 31, 2008, in the amount of \$7,500.00. The annual lease rental will then be \$15,500.00 per year until the lease expires on June 30, 2017. A certified notice of the rental increase was sent to the lessee on June 19, 2008.

New Annual Base Rental Amount: \$15,500.00

Acres in Lease: 4,157.08

Rental per Acre: \$3.75

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by this lease has not occurred. However, the current use as a buffer zone is an appropriate use under the lease agreement. It is recommended that the lease be kept in force.

3. **ADEQUATE BOND COVERAGE:**

No bond is required for this lease.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights owned by the Trust Lands Administration associated with this lease.

5. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the leased premises.

6. **NEXT REVIEW DATE: July 1, 2017.**

The lease will expire on June 30, 2017.

Upon recommendation of Mr. Kurt Higgins, the Director approved the twenty-year review for Special Use Lease Agreement No. 173.

SPECIAL USE LEASE AGREEMENT NO. 1081 (ANNUAL REVIEW)

SULA 1081 is leased to the Division of Wildlife Resources, P.O. Box 146301, Salt Lake City, UT 84114-6301. This is a government lease for an administrative cabin site in Grand County. School Fund.

1. **ANNUAL RENTAL:**

The annual review date for this lease is August 1, 2008. The subject property is used for an administrative cabin site on the LaSal Mountains. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. The CPI adjusted rental is greater than the preliminary market value rental estimate. Therefore, it is recommended that the CPI index be used to adjust the annual rental from \$1,430.00 per year to \$1,460.00 per year, effective August 1, 2008. A certified notice was sent to the lessee informing it of the date of this action and the right to oppose and/or appeal the action. No response was received.

New lease fee: \$1,460.00

Acres in lease: 1.00

Rental per acre: \$1,460.00

2. **DUE DILIGENCE:**

The development allowed by the lease has occurred. It is recommended that the lease be kept in force.

3. **PROPER USE:**

The leased premises are being used in accordance with the lease agreement.

4. **ADEQUATE INSURANCE AND BOND COVERAGE:**

Insurance coverage is not presently required by the lease agreement. The lessee is insured under the State of Utah Risk Management, which covers liability on this lease. The lease allows for a bond to be required any time during the lease at the discretion of the Agency. It has been determined that a bond is not required at this time.

5. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights associated with this lease.

6. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations as prescribed by any governmental agency having jurisdiction. There is no evidence of underground storage tanks on the premises.

7. **NEXT ASSESSMENT DATE:**

The next assessment date will be August 1, 2009.

Upon recommendation of Mr. Lou Brown, the Director approved the annual review for SULA 1081.

SPECIAL USE LEASE AGREEMENT NO. 1382 (THREE-YEAR REVIEW)

SULA 1382 is an industrial lease in the name of PACIFICORP, dba Rocky Mountain Power, 1407 West North Temple, NTO-110, Salt Lake City, Utah 84116. The lease site is located in Emery County. School Fund.

1. **ANNUAL BASE RENTAL:**

The three-year review date for this lease is August 1, 2008. The subject property is used for the purpose of maintaining and operating an existing overland conveyor belt, power line, water lines, and maintenance of an access road and sewer absorption field which is for the support of the Deer Creek Mine. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. Therefore, it is recommended that the CPI index be used to adjust the annual rental, which will be increased from \$2,910.00 to \$3,230.00 per year, effective August 1, 2008. A certified notice of the rental increase was sent to the lessee on July 15, 2008.

New Annual Base Rental Amount: \$3,230.00

Acres in Lease: 160.00

Rental per Acre: \$20.20

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by this lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

3. **ADEQUATE BOND COVERAGE:**

Currently a bond filed with the UDOGM in connection with the issuance of a mine permit, which includes the leased premises, shall be deemed to satisfy this requirement.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights owned by the Trust Lands Administration associated with this lease.

5. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation and pollution regulations. There is no evidence of underground storage tanks on the leased premises.

6. **NEXT THREE YEAR REVIEW DATE:**

The next assessment will be on August 1, 2011.

Upon recommendation of Mr. Kurt Higgins, the Director approved the three-year review for Special Use Lease Agreement No. 1382.

SPECIAL USE LEASE AGREEMENT NO. 1421 (FIVE-YEAR REVIEW)

Special Use Lease Agreement No. 1421 is an industrial lease in the name of Anadarko Petroleum Corporation, P.O. Box 1330, Houston, Texas 77251-1330. Carbon County. School Fund.

1. **ANNUAL BASE RENTAL:**

The five-year review date for this lease is August 1, 2008. The subject property is located in Carbon County and is used for the purpose of operating the Helper State (SWD-1 Well) saltwater disposal injection well facility. Based on an analysis of the lease rental pursuant to Board policy, it has been determined that an appraisal is not warranted. Therefore, it is recommended that a market analysis be used to adjust the annual rental, which will be increased from \$600.00 to \$1,000.00 per year. In addition to the annual rental, a royalty is due in the amount of five cents (\$0.05) per barrel for the non-compliant saltwater injected into the Helper State Well. The royalty fee for non-compliant saltwater injected into the well will remain at five cents (\$0.05) per barrel. These rental adjustments will take effective August 1, 2008. A certified notice of the rental increase was sent to the lessee on July 9, 2008.

New Annual Base Rental Amount: \$1,000.00

Acres in Lease: 1.00

Rental per Acre: \$ 1,000.00

Royalty Amount: \$0.05 per barrel for the noncompliant saltwater injected into the Helper State Well.

2. **DUE DILIGENCE AND PROPER USE:**

The development allowed by this lease has occurred. It is recommended that the lease be kept in force. The leased premises are being used in accordance with the lease agreement.

3. **ADEQUATE BOND COVERAGE:**

A \$10,000.00 bond is currently in place with this lease.

4. **ESTABLISHMENT OF WATER RIGHTS:**

There are no water rights owned by the Trust Lands Administration associated with this lease.

5. **POLLUTION AND SANITATION REGULATIONS:**

The Trust Lands Administration is unaware of any violations of valid sanitation, and pollution regulations. There is no evidence of underground storage tanks on the leased premises.

6. **NEXT FIVE YEAR REVIEW DATE:**

The next assessment will be due on August 1, 2013.

Upon recommendation of Mr. Kurt Higgins, the Director approved the five-year review for Special Use Lease Agreement No. 1421.

SPECIAL USE LEASE AGREEMENT NO. 1575 (RECLAMATION BOND)

Pursuant to Paragraph 21 of the lease agreement, EnCana Oil & Gas (USA) Inc., 2717 County Road 215, Suite 100, Parachute, CO 81635, has submitted Corporate Surety Bond No. 105073481. The bonding company is Travelers Casualty & Surety Company of America, 5847 San Filepe, Suite 2750, Houston, TX 77057. The reclamation bond is for \$5,000.00 and will remain in full force and effect until released by the Trust Lands Administration. San Juan County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director accepted the bond submitted for SULA 1575.

SPECIAL USE LEASE NO. 1549 (REFUND OF FEES)

Special Use Lease No. 1549 was approved on the Director's Minutes dated June 27, 2008, to EOG Resources, Inc., 1060 East Hwy 40, Vernal, Utah 84078. The lessee paid a \$250.00 application fee for this lease. However, no application fee is required. The lessee will pay a water disposal fee of 12.5% of gross receipts for any payment received by the lessee for all non-compliant water disposed of at the facility. Uintah County. School Fund.

Upon recommendation of Mr. Kurt Higgins, the Director approved the **refund of the \$250.00 application fee for SULA 1549.**

SALES**PRE SALE APPLICATION NO. 8146 (CANCELLATION)**

The above-numbered sale application, in the name of Randall Taylor, is to be canceled. The Agency has determined that this area has potential mineral development opportunities and a sale is not appropriate at this time. No fees are associated with this application. Sevier County. University Fund.

Upon recommendation of Mr. Lou Brown, the Director canceled PS 8146.

PRE SALE APPLICATION NO. 8373 (CANCELLATION)

Pre Sale No. 8373 was assigned to property which the Agency was considering for sale at public auction. The Development section is pursuing a development exchange transaction on this parcel (DEVL 772); therefore, the application should be canceled. There are no fees with this application. Iron County. School Fund.

Upon recommendation of Mr. Lou Brown, the Director canceled PS 8373.

APPROVAL OF LAND AUCTION AND ASSOCIATED INTEREST RATE

It is proposed that a land auction be conducted on Friday, October 10, 2008. Pursuant to Rule R850-80-600(8), the interest rate for the first year on financed purchases will be the published prime rate (5.0%) plus 2.5%, equaling 7.5%. Interest for subsequent years will be the prime rate as published on the last Monday of August each year, plus 2.5%. Information about the properties to be offered at this auction will be submitted on future Director's Minutes.

Upon recommendation of Ms. Diane Durrant, the Director approved the October 10, 2008, land auction.

TIMBER SALES**TIMBER APPLICATION NO. 839 (APPROVAL – SEED COLLECTING CONTRACT)**

Stevenson Intermountain Seed, Inc., P.O. Box 2, Ephraim, UT 84627, has submitted an application for a Director's sale to collect needle-n-thread grass seed on the following sections:

Township 30 South, Range 16 West, SLB&M

Section 16: All (640 Acres) - Beaver County

Township 33 South, Range 12 West, SLB&M

Section 16: All (640 Acres) – Iron County

Township 33 South, Range 18 West, SLB&M

Section 36: All (640 Acres) – Iron County

Township 34 South, Range 3 West, SLB&M

Section 25: All (640 Acres) – Garfield County

Section 35: All (640 Acres) – Garfield County

Township 35 South, Range 3 West, SLB&M

Section 20: S½, NE¼, W½NW¼, NE¼NW¼ (600 Acres) - Garfield County

Section 27: All (640 Acres) – Garfield County

Section 28: All (640 Acres) – Garfield County

This project has been submitted to the Resource Development Coordinating Committee ("RDCC") in previous harvesting years with no comments received.

This seed harvesting opportunity was auctioned on April 18, 2008. Stevenson Intermountain Seed, Inc. was the successful bidder. They have been awarded a seed collecting contract that will begin on May 1, 2008, and expire on August 31, 2010. The applicant has paid \$16,000.00 plus a \$100.00 application fee, and a \$168.00 advertising fee. The purchaser shall pay the Trust Lands Administration a minimum payment of \$16,000.00 each year of the contract prior to harvesting activities. A 10% post-harvest payment will be paid within one month after harvest activities have ceased. This payment will be based on the total pounds of field harvested seed multiplied by ten percent of the uncleaned seed value ("USV"). The USV will be based on statewide market values as determined on May 1 of each contract year for uncleaned needle-n-thread grass (*Hesperostipa comata*), however, in no case will the USV be less than \$5.00/lb. A bond will not be required. Beaver, Iron, and Garfield Counties. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved Timber Application No. 839.

TIMBER APPLICATION NO. 840 (APPROVAL – SEED COLLECTING CONTRACT)

Central Utah Seed, 825 N. 400 E., Ephraim, UT 84627, has submitted an application for a Director's sale to collect needle-n-thread grass seed on the following sections:

Township 31 South, Range 23 East, SLBM

Section 1: S½SE¼ (80.00 acres)

Section 2: All (609.25 acres)

Section 11: All (608.32 acres)

Section 12: N½, NW¼SE¼, SW¼ (520.00 acres)

Section 13: NE¼NW¼, NW¼NW¼, S½, S½N½ (560.00 acres)

Section 14: All (619.24 acres)

Section 16: All (640.00 acres)

Section 22: S½, S½NW¼ (400.00 acres)

Section 23: Lots 1-3, NW¼, SW¼, W½NE¼ (509.99 acres)

Section 24: N½ (320.00 acres)

Section 26: Lots 2-3, N½SW¼, NW¼, NW¼SE¼, SW¼NE¼, SW¼SW¼ (436.32 acres)

Section 27: N½NE¼NE¼, NW¼NE¼, N½NW¼, N½SW¼NW¼, S½SW¼NW¼, NW¼SW¼, S½SW¼ (300.00 acres)

Section 34: NW¼NW¼ (40.00 acres)

Township 31 South, Range 24 East, SLBM

Section 18: E½SW¼, NW¼SW¼, SW¼SW¼ (188.30 acres)

Section 19: Lots 1-3 (160.49 acres)

This project was submitted to the Resource Development Coordinating Committee ("RDCC") on March 13, 2008. The State Planning Coordinators office responded, stating that they have not received any comments from any state agencies to date. The South Eastern Association of Local Governments responded with a favorable comment.

The contract will begin on May 1, 2008, and expire on July 31, 2010. The applicant has paid \$2,000.00 plus a \$100.00 application fee. The purchaser shall pay the Trust Lands Administration a minimum payment of \$2,000.00 each year of the contract prior to harvesting activities each year. A 10% post-harvest payment will be paid within one month after harvest activities have ceased. This payment will be based on the total pounds of field harvested seed multiplied by ten percent of the uncleaned seed value ("USV"). The USV will be based on statewide market values as determined on May 1 of each contract year for uncleaned needle-n-thread grass (*Hesperostipa comata*); however, in no case will the USV be less than \$5.00/lb. A bond will not be required. San Juan County. School Fund.

Upon recommendation of Mr. Ron Torgerson, the Director approved Timber Application No. 840.

TIMBER SALE NO. 825 - AMENDMENT NO. 1 (EXTENSION OF TIME)

Defa's Sawmill, Box 335, Tabiona, Utah 84072, has requested the expiration date of this contract be extended from July 31, 2008, to June 30, 2009. The \$250.00 contract extension fee has been submitted. Wasatch County. School Fund.

Upon recommendation of Mr. Cary Zielinsky, Contract Forester, the Director approved the extension of time for TA 825.

DEVELOPMENT ACTIONS

EASEMENT AGREEMENT (ESMT 1387)

THE FOLLOWING EASEMENT WAS GRANTED TO SUNCOR UTAH, INC.:

PROJECT:	Coral Canyon
PROJECT CODE:	SUNCR 000 00
PROJECT MANAGER:	Doug Buchi
FUND:	Miners Hospital
DATE OF EASEMENT:	July 1, 2008
TERM:	Perpetual

GRANTEE:

SUNCOR UTAH, INC.
2250 North Coral Canyon Boulevard
Washington, Utah 84780

DESCRIPTION OF TRANSACTION:

This Easement is granted to SunCor Utah, Inc., which is the lessee of Development Lease No. 610. SunCor Utah has developed and sold lots in Coral Canyon Phase 1 pursuant to this lease. The easement granted allows SunCor to construct a new retaining wall at the lot boundary adjacent to the Coral Canyon golf course, where the original one had collapsed from excess water collecting behind it after heavy rains. This easement is granted without additional consideration, pursuant to the development lease. Trust Lands has been compensated for the lot at a percentage of the sales price and rebuilding the retaining wall slightly outside the existing one does not add value to the lot.

LEGAL DESCRIPTION:

Township 42 South, Range 14 West, SLB&M
Section 5: Within, as follows:

A PARCEL OF LAND BEING A PORTION OF PARCEL NUMBER W-PTAX-22-CC, BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS: BEGINNING AT A POINT LOCATED NORTH 56°38'18" EAST ALONG THE LOT LINE 22.26' FROM THE SOUTHERLY MOST CORNER OF LOT 116, CORAL CANYON, PHASE 1, ACCORDING TO THE OFFICIAL PLAT THEREOF, RECORDS OF WASHINGTON COUNTY, AND RUNNING THENCE NORTH 56°38'18" EAST ALONG THE LOT LINE 97.83' TO THE EASTERLY MOST CORNER OF SAID LOT 116; THENCE SOUTH 53°53'13" WEST 19.03'; THENCE SOUTH 55°18'02" WEST 26.48'; THENCE SOUTH 18°53'30" WEST 6.74'; THENCE SOUTH 40°51'55" WEST 12.26'; THENCE SOUTH 63°04'14" WEST 15.19'; THENCE SOUTH 72°56'31" WEST 17.29'; THENCE NORTH 88°42'54" WEST 4.28' TO THE POINT OF BEGINNING.

Contains 0.01 acres, more or less.

NUMBER OF ACRES BY COUNTY: 0.01 acres - Washington County

NUMBER OF ACRES BY FUND: 0.01 acres - Miners Hospital

Upon recommendation of Alexa Wilson, the Director approved this Easement.

DEVELOPMENT EXCHANGE NO. 316 – CITY OF CEDAR CITY

THE FOLLOWING EXCHANGE HAS BEEN EXECUTED, A PATENT HAS BEEN ISSUED AND A WARRANTY DEED RECEIVED:

EXCHANGE NO.: 316
 DATE OF TRANSACTION: April 18, 2006
 PROJECT: Cross Hollow
 PROJECT MANAGER: Rodger Mitchell
 PROJECT CODE: CRS HL 001 00
 FUND: School 91.96%
 School of Mines 8.04 %
 COUNTY: Iron
 BOARD APPROVED: May 26, 2005
 PATENT NO.: 19888
 PATENT DATE: May 31, 2006
 WARRANTY DEED NO.: 190
 WARRANTY DEED DATE: April 13, 2006

EXCHANGE PARTNER:

CITY OF CEDAR CITY
 10 North Main Street
 Cedar City, Utah 84720

DESCRIPTION OF TRANSACTION:

Trust Lands Administration is the owner of approximately 1,494.664 acres. Approximately 3.996 acres of that land has been orphaned due to a livestock trail. The City of Cedar City also has orphaned land due to the livestock trail. The City's orphaned land equals 10.543 acres. The City currently holds a Recreation and Public Purpose Lease which contains an existing water storage tank on the Trust's land.

Development Exchange No. 316 states that the Trust will exchange the orphaned 3.996-acre parcel, as well as the 0.918 acres of land housing the water storage tank. In addition to these parcels of land, the Trust, under Development Exchange No. 316, will also grant the City three easements over the Trust Lands Administration Property for a water line, a livestock trail, and a road. In exchange for the parcels and easements, the City will convey 10.543 acres of unimproved property to the Trust. The Trust's and City's contributions have been determined to be of equivalent value by appraisal by a third party, Morley & McConkie. Supporting data is located in Development files.

LANDS CONVEYED TO THE CITY OF CEDAR CITY**LEGAL DESCRIPTION:**

Township 36 South, Range 11 West, SLB&M
 Section 21: Within, as follows:

Tank Site

Beginning at a point S 1°09'20" E, 276.45 ft. along the section line and N 90°00'00" W, 3321.35 ft. from the East ¼ corner of Section 21, T36S, R11W, SLM; thence South, 200.00 ft.; thence West, 200.00 ft.; thence North, 200.00 ft.; thence East 200.00 ft. to the point of beginning.

Containing 0.918 acres of land; 0.395 acres lying within School of Mines property and 0.523 acres lying within School property.

DEVELOPMENT EXCHANGE NO. 316 – CITY OF CEDAR CITY (CONTINUED)Trust Lands Exchange Parcel

Beginning at the northeast corner of the NW¼SE¼ of Section 21, T36S, R11W, SLM; said point of beginning also being S 89°27'51" W, 1328.23 ft. along the ¼ section line from the E ¼ corner of said Section 21; thence S 1°22'20" E, 617.33 ft. along the 1/16 section line; thence N 65°53'24" W, 569.56 ft.; thence N 56°10'42" E, 286.69 ft.; thence N 19°36'51" E, 236.92 ft.; thence N 89°27'51" E, 187.39 ft. along the ¼ section line to the point of beginning.

Containing 3.996 acres of land lying within School property.

TOTAL NUMBER OF ACRES BEING CONVEYED: 4.914 acres

NUMBER OF ACRES BY COUNTY: 4.914 acres – Iron County

NUMBER OF ACRES BY FUND: 4.519 acres – School; 0.395 acres – School of Mines

MINERAL LEASES GIVEN UP: None

SURFACE LEASES GIVEN UP: None

LIST MINERAL RESERVATIONS:

Excepting and reserving to the State of Utah all coal and other mineral deposits, along with the right for the State or other authorized persons to prospect for, mine, and remove the deposits.

LIST SURFACE RESERVATIONS:

Excepting and reserving to the State of Utah reasonable access across the property for the benefit of the lands administered by the Trust Lands Administration as such access is contemplated in that certain Master Plan or Alternate Master Plan described in Exchange 316, and providing that no access shall unreasonably hinder Cedar City's ability to develop Cedar City's land, and no access across the property for the benefit of the Trust Lands shall be installed, or developed without prior written consent from Cedar City; also,

Subject to any valid, existing rights of way of any kind and any right, interest, reservation or exception appearing of record, and subject also to all rights of way for ditches, tunnels, and telephone and transmission lines that have been or may be constructed by the United States as provided by Statute.

Subject to the covenants and restrictions of that certain Master Plan or Alternate Master Plan described in Exchange No. 316.

LANDS CONVEYED TO TRUST LANDS ADMINISTRATION

LEGAL DESCRIPTION:

Township 36 South, Range 11 West, SLB&M

Section 21: Within, as follows:

City Parcel

Beginning at a point S 89°27'51" W, 1328.23 ft. along the ¼ section line and S 1°22'20" E, 678.26 ft. along the 1/16 section line from the East ¼ corner of Section 21, T36S, R11W, SLM; thence S 65°53'24" E, 104.79 ft.; thence S 9°31'43" E, 590.00 ft.; thence S 3°57'37" E, 286.24 ft.; thence S 14°05'16" E, 349.70 ft.; thence S 29°22'56" E, 434.95 ft.; thence S 44°18'21" W, 520.65 ft. to a point S 89°51'05" W, 1218.23 ft. along the section line from the Southeast corner of Section 21; thence S 89°51'05" W, 100.00 ft. along the section line; thence N 1°22'20" W, 2001.83 ft. along the 1/16 section line to the point of beginning.

Containing 10.543 acres, more or less.

DEVELOPMENT EXCHANGE NO. 316 – CITY OF CEDAR CITY (CONTINUED)

LIST MINERAL RESERVATIONS:

Excepting therefrom all oil, gas petroleum, naphtha hydrocarbons and other minerals, together with the right of ingress and egress for the purpose of exploring and/or removing the same.

NUMBER OF ACRES BY COUNTY: 10.543 acres – Iron County

NUMBER OF ACRES BY FUND: 10.543 acres – Multi Beneficiary (School 91.96%, School of Mines 8.04 %)

LIST MINERAL RESERVATIONS:

Excepting therefrom all oil, gas petroleum, naphtha hydrocarbons and other minerals, together with the right of ingress and egress for the purpose of exploring and/or removing the same.

This item was submitted by Alexa Wilson for record-keeping purposes.

ACTIONS CONTAINING FEE WAIVERS

NONE